



An Roinn Iompair,
Turasóireachta agus Spóirt
Department of Transport,
Tourism and Sport

Quality Assurance Report 2017

Assessment of
Public Spending
Code Compliance

Certification

This annual Quality Assurance Report reflects the Department of Transport, Tourism and Sport's assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of the Department's responsibility.

Signature of Accounting Officer:



Graham Doyle



Irish Government Economic & Evaluation Service

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1. Executive Summary

This report fulfils a requirement under the Public Spending Code (PSC) for each Department to put in place an internal, independent, quality assurance (QA) procedure that reports annually on how the Department and its agencies are meeting their PSC obligations. This is the fifth QA report to be published by the Department of Transport, Tourism and Sport (DTTAS) since the PSC came into effect in September 2013 [Department of Public Expenditure and Reform (DPER), Circular 13/13].

The main findings of the report are summarised below under the five key steps required to be completed under the QA procedure:

Step 1 – Inventory of Expenditure

In 2017, DTTAS had 330 projects/programmes valued in excess of €500,000 across the three different spending categories identified in the PSC in its portfolio, yielding a total projected inventory value of approximately €22.6 billion¹. In particular, there were 115 projects/programmes in the appraisal, planning or design phase (**Expenditure Being Considered**), 183 on-going projects/programmes (**Expenditure Being Incurred**), and 32 projects/programmes that were concluded or discontinued in 2017 (**Recently Ended Expenditure**).

The 115 projects/programmes in the **Being Considered** spending category accounted for €12.2 billion of the total inventory value, with 83 of the projects/programmes being road improvement projects with a combined value in excess of €3.4 billion. In terms of public transport, the National Transport Authority was also considering plans for three major projects—BusConnects, Metro Link and the DART expansion—with a combined projected cost of approximately €7.4 billion. Actual expenditure on the appraisal, planning and design of these 115 projects/programmes in 2017 was €51 million.

On-going projects and programmes in the **Expenditure Being Incurred** spending category accounted for €9.9 billion of the total inventory value, with 87 road-related and 31 public transport and sustainable transport projects/programmes again comprising the bulk of the inventory. Elsewhere, 17 projects/programmes in the Department's Sports portfolio accounted for over €95 million in expenditure, while 28 projects/programmes in the Department's Tourism portfolio had a combined expenditure of €94.6 million. Total 2017 expenditure on the 183 on-going projects/programmes was approximately €1.6 billion.

¹Of the 330 projects/programmes in the inventory, 26 projects/programmes whose total value has yet to be determined (TBD) and 60 rolling expenditure programmes have not been included in the projected inventory value. However, these projects/programmes are included in the actual expenditure figures which follow.

The combined whole life-cycle expenditure on the 32 **Recently Ended** projects/programmes in 2017 was €389.5 million, which was €50 million below the total budgeted cost of €440 million. While some projects came in slightly over budget, this difference can be accounted for almost entirely by the M17/M18 Gort to Tuam Public Private Partnership (PPP), which was completed for approximately €57 million below its budgeted cost. Actual 2017 expenditure on these projects/programmes amounted to €125 million.

Further inventory details may be found in Section 3, and an itemised copy of the Inventory of Expenditure arranged by budget sub-head is also provided in **Appendix A**.

Step 2 – Procurements valued in excess of €10 million

In total, DTTAS and the agencies under its remit held 47 procurement contracts valued in excess of €10 million in 2017. Only two of these contracts were directly held by DTTAS—the Irish Coast Guard Helicopter Search and Rescue Service contract and a contract for the provision of PSO flights between Dublin/Kerry and Dublin/Donegal airports. The majority of the remaining procurement contracts were sponsored through the National Transport Authority (NTA), Iarnród Éireann (IÉ), and Transport Infrastructure Ireland (TII) for the provision of public transport services and road maintenance and construction.

New procurement contracts include the procurement of engineering design services for the Metro Link project and a contract with Go-Ahead Transport Services for the provision of public transport services on certain outer Dublin Metropolitan routes, which are due to enter service in Autumn 2018.

Further details regarding these contracts may be found in Section 4 and **Appendix B**.

Step 3 – Self-Assessed Compliance Checklists

The PSC contains a set of 7 checklists that allow Departments and their agencies to self-assess their level of compliance with the PSC. While **Checklist 1** refers to the Department's obligations as a whole and is not specific to individual projects/programmes, **Checklists 2–7** refer to capital and current expenditure at different stages of the expenditure life-cycle and were completed by all DTTAS divisions and agencies sponsoring Exchequer expenditure.

In terms of **Expenditure Being Considered**, DTTAS is satisfied that its Divisions and Agencies demonstrated high levels of compliance with the PSC. Similarly, for **Expenditure Being Incurred** and **Recently Ended Expenditure**, high levels of compliance were evident in checklist responses for both current and capital expenditure, although some Divisions have highlighted areas where further improvement could be made in terms of project monitoring and reporting. These areas, as identified through the self-assessment checklists, will be internalised by divisions and agencies and acted upon as necessary.

Further details regarding these checklists are provided in Section 5 and **Appendix C**.

Step 4 – In-Depth Checks

As part of the QA process, each year a subset of projects/programmes are selected for in-depth checks of their compliance with the PSC. The primary aim of these checks is to evaluate the standards employed in the financial management, planning and implementation of the selected projects/programmes. The PSC stipulates that in-depth checks should analyse 5% of the total inventory value per annum, or ensure that 15% of the total inventory value is evaluated over a 3-year cycle.

Four projects were selected for in-depth checks in this year's report, comprising 4.67% (i.e., €1,057 million) of the total inventory value. While this lies below the 5% guideline, DTTAS considered that there would be greater value added by selecting a less costly project from the Department's Sports portfolio, as no projects in the Department's Sports sector had been subject to an in-depth check since the introduction of the QA review mechanism.

- **Roads – Foynes Limerick Road Improvement Scheme**
 - Expenditure Being Considered, projected cost of €432.6 million.
- **Sports – Redevelopment of Páirc Uí Chaoimh**
 - Expenditure Being Incurred, regional stimulus grant of €30 million.
- **Iarnród Éireann – Train Protection System**
 - Expenditure Being Incurred, projected cost of €156.5 million.
- **National Transport Authority – BusConnects Route Selection Programme**
 - Expenditure Being Incurred, projected cost of €438 million.

These checks broadly conclude that the projects are proceeding in line with PSC guidelines. Most significantly, the in-depth check of Páirc Uí Chaoimh highlighted a number of PSC compliance issues that had to be addressed in the early stages of the project's life-cycle, which arised from the atypical sequencing of the detailed appraisal phase, which followed Cabinet's Approval-in-Principle of the project's Regional Stimulus Funding bid. The project also faced additional scrutiny by the European Commission's Directorate General for Competition (DG COMP) on the matter of State Aid funding for sports infrastructure. While these issues were resolved, the in-depth check highlights the importance of sequencing and detailed appraisal in the project life-cycle.

These in-depth checks are summarised in Section 6, and copies of the completed reports are available in [Appendix D](#).

Step 5 – Summary Report

The publication of this report fulfils the Department's obligation to produce a summary report outlining its expenditure and level of compliance with the PSC. Overall, DTTAS is satisfied that the divisions and agencies under its aegis had a high level of compliance with the PSC in 2017.

2. Introduction

This report has been compiled by the Department's Strategic Research and Analysis Division (SRAD), whose high-level function is to provide DTTAS with an internal strategic, analytic and research resource to ensure that the Department's policy and programme development, monitoring and evaluation mechanisms are evidence-based and objectives-led. As one of the compliance mechanisms identified in the PSC, the QA process aims to gauge the extent to which Departments and their associated agencies are meeting their obligations as set out in the PSC, and assess whether the State is achieving value-for-money in its use of public funds.

The QA process comprises five steps:

1. **Compiling an inventory of expenditure of all projects/programmes valued in excess of €500,000.** This inventory should incorporate projects/programmes at every stage of the project/programme life-cycle (i.e., planning, design, appraisal, implementation and post-implementation), and these phases are mapped onto the three stages of expenditure spending identified in the PSC, i.e., **Expenditure Being Considered**, **Expenditure Being Incurred** and **Recently Ended Expenditure**.
2. **Publication of summary information of all procurement contracts valued in excess of €10 million.** Summary information of all such procurements, whether new, in progress or completed in the year under review, must be published on the Department's and relevant agencies' websites.
3. **Completion of self-assessed compliance checklists.** This set of 7 checklists enables Departments and agencies under their remit to self-assess their level of compliance with respect to capital and current expenditure PSC obligations at each stage of the expenditure life-cycle.
4. **In-depth checks on a subset of projects/programmes.** The primary aim of these checks is to evaluate the standards employed in the financial management, planning, and implementation of projects/programmes across their entire life-cycle. On average, the combined value of the projects/programmes selected for in-depth checks should account for 5% of the total inventory value, or ensure that an average of 5% per annum of the inventory value is reviewed over a three-year period.
5. **Publication of an annual Quality Assurance Report.** An annual QA report that summarises Steps 1–4 above and that flags any potential compliance issues. The summary report must be approved by the Department's Accounting Officer before publication and return to DPER for review.

The publication of this report thus fulfils the fifth QA requirement with respect to the Department's expenditure and level of PSC compliance in 2017.

2.1 Agencies/Bodies Subject to the Quality Assurance Process

Over the course of the QA process, SRAD engaged with all DTTAS divisions, and through them, with each agency and (semi-)state body under the Department's aegis².

As the main agencies in receipt of Exchequer funding and responsible for the implementation of the majority of the Department's projects/programmes, the following six agencies were automatically subject to a full QA review:



As with the Department's previous QA reports, it was agreed that the National Transport Authority would also complete the process on behalf of Iarnród Éireann for its Greater Dublin Area expenditure, and with respect to Bus Éireann's and Bus Átha Cliath's expenditure (i.e., the Córas Iompair Éireann group of transport operators). The Road Safety Authority was also subject to a complete QA review.

With respect to self-funded commercial state bodies overseen by the Department, DPER has previously advised that a full QA review is not required and a letter of assurance confirming their compliance with the PSC is sufficient. Divisions charged with oversight of the respective bodies thus either confirmed that they did not have any projects/programmes valued in excess of €500,000 in 2017, or sought similar letters of assurance confirming their compliance with the PSC.

Finally, as commercial bodies, the seven port companies overseen by DTTAS in 2017 were not required to undergo a full QA review. As five returned statements from the Chairpersons of their Boards confirming their compliance with the *Code of Practice for the Governance of State Bodies*, in addition to completing a Corporate Governance checklist that queries the port's financial controls and level of PSC compliance, letters of assurance were not sought from these ports. Similar returns from the two remaining port companies, Dún Laoghaire Harbour Company and New Ross Port, were not sought as oversight of these companies was being transferred to the Dún Laoghaire–Rathdown and Wexford local authorities, respectively.

² The full list of agencies and bodies under the Department's aegis is available on the DTTAS website: <http://www.dttas.gov.ie/agencies>

3. Inventory of Expenditure

This section details the Department's inventory of expenditure in greater detail. The inventory was compiled in accordance with DPER guidance on the PSC and QA process and itemises all 2017 expenditure on DTTAS projects/programmes that are valued in excess of €500,000. It is further differentiated into three expenditure thresholds (i.e., €500,000–€5 million, €5 million–€20 million, and above €20 million) and for each of the three stages of the expenditure life-cycle:

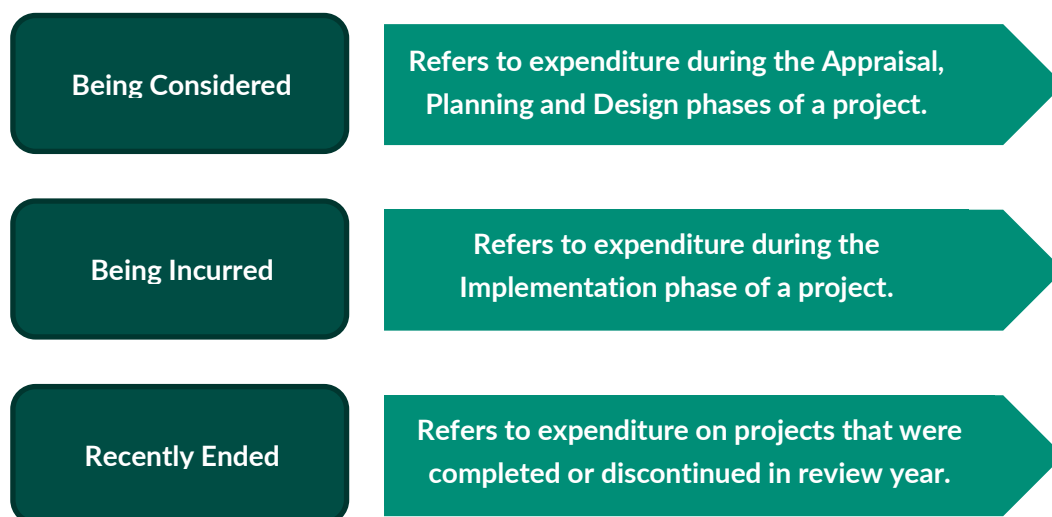


Table 1 details the actual 2017 expenditure on projects/programmes listed in the inventory and the total projected inventory value according to the life-cycle phase. In total there were 330 projects/programmes valued in excess of €500,000 in the Department's portfolio in 2017, of which 60 were current and 270 were capital expenditure projects/programmes.

The total inventory value is projected to be in excess of €22.6 billion, however, we note that this value does not incorporate the 60 rolling expenditure projects and 26 projects/programmes whose projected costs have yet to be determined.

Table 1: Actual 2017 Expenditure and Projected Inventory Value by Life-Cycle Phase

	2017 Current	2017 Capital	Projected Value
Being Considered	-	€51,166,807	€12,308,697,075
Being Incurred	€593,859,920	€1,037,708,159	€9,885,722,519
Recently Ended	-	€125,074,692	€440,064,678
Total Expenditure	€593,859,920	€1,214,082,658	€22,634,484,272

3.1. Expenditure Being Considered

Table 2 provides a summary of the number of projects/programmes valued in excess of €500,000 that were in the appraisal, planning or design phase in 2017, arranged by budget subhead. As the table identifies, there were a total of 115 projects/programmes in the **Expenditure Being Considered** phase of the project/programme life-cycle across the various spending categories.

A number of observations can be made in terms of the composition of projects/programmes and their level of expenditure:

- The vast majority of projects in the appraisal, planning or design phase in 2017 were capital expenditure projects. Of the 112 capital projects, 83 related to road improvements and upgrades and 14 related to public transport projects, including three multi-billion projects in the NTA's portfolio—BusConnects, MetroLink and the DART Expansion programme.
- Only three current expenditure projects/programmes valued in the €0.5–5 million expenditure bracket were under consideration—the provision of training in the use of night-vision equipment for the Irish Coast Guard (IRCG), and two programmes from Fáilte Ireland to support Ireland's Hidden Heartlands programme and the promotion of Ireland as an activity holiday destination.
- There were 23 road projects under consideration whose projected costs have yet to be determined. These are primarily realignment or widening projects and a combined total of €2.2 million was spent on these projects in 2017.
- There were no new Civil Aviation projects/programmes valued in excess of €500,000 under consideration in 2017.
- In addition to IRCG's current expenditure programme for night-vision training, other projects under consideration in the Maritime sector included the purchase of two rigid inflatable boats (RIBS) and the replacement of aged IRCG radio equipment.
- The only new project under consideration valued in excess of €500,000 in the Department's Sports portfolio in 2017 was by Sport Ireland—construction of a National Velodrome & Badminton Centre with a projected cost of €16 million.
- The largest new programme under consideration by DTTAS in the Tourism sector was the Greenway Strategy, where it is planned to make approximately €56 million available to local authorities to support the development of local greenways.

An itemised inventory with further details on all projects/programmes that were under consideration in 2017 is available in **Appendix A**.

Table 2: Expenditure Being Considered – no. of projects/programmes by budget sub-head

Subhead		Current Expenditure				Capital Expenditure					Count
A - CIVIL AVIATION PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	
A3	Regional Airports	0	0	0	0	0	0	0	0	0	0
A4	Misc. Services	0	0	0	0	0	0	0	0	0	0
B - LAND TRANSPORT PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
B3	Road Improvement/Maintenance	0	0	0	0	16	30	14	0	23	83
B4	Road Safety Agencies	0	0	0	0	5	0	0	0	0	5
B5	Vehicle and Driver Licensing	0	0	0	0	0	0	0	0	0	0
B6	Carbon Reduction	0	0	0	0	2	0	0	0	0	2
B7	Public Service Provision Payments	0	0	0	0	0	0	0	0	0	0
B8	Public and Sustainable Transport	0	0	0	0	4	3	7	0	0	14
B9	Public Transport Agencies	0	0	0	0	0	0	0	0	0	0
B10	Misc. Services	0	0	0	0	0	0	0	0	0	0
C - MARITIME PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
C3	Maritime Admin. and IRCG	1	0	0	0	4	0	0	0	0	5
C4	Misc. Services	0	0	0	0	0	0	0	0	0	0
D - SPORTS PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
D3	Grants for Sporting Bodies	0	0	0	0	0	0	0	0	0	0
D4	Large Scale Sporting Infra. Fund	0	0	0	0	0	0	0	0	0	0
D5	Sport Ireland	0	0	0	0	0	1	0	0	0	1
D6	Dormant Account Funding	0	0	0	0	0	0	0	0	0	0
E - TOURISM PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
E3	Fáilte Ireland	2	0	0	0	0	0	0	0	0	2
E4	Tourism Ireland	0	0	0	0	0	0	0	0	0	0
E5	Tourism Marketing Fund	0	0	0	0	0	0	0	0	0	0
E6	Tourism Product Development	0	0	0	0	1	1	0	0	0	2
E7	Greenways	0	0	0	0	0	0	1	0	0	1
Total no. of projects/programmes		3	0	0	0	32	35	22	0	23	115

3.2. Expenditure Being Incurred

Table 3 provides a summary of the number of projects/programmes valued in excess of €0.5 million that were in the implementation or roll-out phase in 2017, arranged by budget subhead. As the table identifies, there were a total of 183 projects/programmes in the **Expenditure Being Incurred** phase of the project/programme life-cycle across the various spending categories.

A number of observations can be made in terms of the composition of projects/programmes and their level of expenditure:

- Of the 183 schemes listed in the inventory, 126 involved capital expenditure and 57 involved current expenditure, yielding a roughly 70:30 split in the Department's ongoing capital and current project/programme distribution.
- The bulk of ongoing DTTAS projects/programmes fell within the Department's Land Transport programme, which accounted for 133 of the 183 projects and a projected inventory value in excess of €8.8 billion.
- DTTAS' Regional Airports programme required €3.6 million and €1.9 million in operational and capital grants, respectively, with €7.7 million in payments for the provision of PSO air services to Kerry and Donegal airports. It is worth noting that €2.7 million had to be vired from capital to current expenditure by the Department in 2017, as insufficient current programme funding was available to support the airports' operational costs.
- Actual expenditure on the 87 road improvement/maintenance schemes being undertaken in 2017 amounted to €783 million. Approximately €324 million was allocated to Regional and Local roads through the Department's Roads Division, with the remainder being allocated through TII to National road projects and PPP post-construction payments.
- In the Public Transport sphere, Public Service Obligation (PSO) payments amounted to €282 million in 2017. While these programmes are in effect rolling current expenditure programmes³, as contracts are in place with programme operators, they have been listed in accordance with their projected contract value.
- Approximately €260 million was spent on 24 public and sustainable transport capital investment projects in 2017, including €30.4 million on Iarnród Éireann's heavy maintenance programme, €58.8 million on upgrading the bus fleet and €70.8 million on LUAS Cross City. The projected inventory value of these schemes amounts to €2.2 billion.

³Subhead B7 includes the Smarter Travel, Green Schools and Rural Transport schemes, in addition to the PSO public transport programmes.

- DTTAS' Maritime programme had only two ongoing projects/programmes—Safeseas Ireland, a combined rolling current/capital EU Vessel Traffic Monitoring Information System programme, and the Coast Guard's Helicopter Search & Rescue programme, which was at the mid-point of its 10-year €630.4 million contract with CHC Ireland.
- Actual 2017 expenditure on projects/programmes in the Department's Sports portfolio amounted to €95.8 million. This included €12 million toward the redevelopment of Páirc Uí Chaoimh and combined expenditure of €23.8 million to local sporting bodies under the DTTAS Sports Capital Programme. Approximately €55 million was spent on Sport Ireland programmes.
- Of the 27 projects/programmes in the Department's Tourism portfolio, 18 were current expenditure programmes being run by Fáilte Ireland at a cost of €40.4 million. An additional €35.8 million of current expenditure was incurred through two Tourism Marketing Fund streams, which fall under Tourism Ireland's remit.
- 2017 capital expenditure on Tourism Development and Greenway schemes, including the Wild Atlantic Way and Ireland's Ancient East and three Greenway projects in Galway, Kildare and Kerry amounted to €18.4 million. However, progress on the three Greenways was hampered due to greater than anticipated construction costs and compulsory purchase order requirements, which were not factored into the initial programme allocation. As a result, these three projects do not have a finalised projected value.

An itemised inventory with further details on all projects/programmes in the implementation phase in 2017 is available in [Appendix A](#).

Table 3: Expenditure Being Incurred – no. of projects/programmes by budget sub-head

Subhead		Current Expenditure				Capital Expenditure					Count
		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	
A - CIVIL AVIATION PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
A3	Regional Airports	1	0	1	0	1	0	0	0	0	3
A4	Misc. Services	0	0	0	0	0	0	0	0	0	0
B - LAND TRANSPORT PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
B3	Road Improvement/Maintenance	0	0	0	7	15	19	19	27	0	87
B4	Road Safety Agencies	0	0	0	12	0	1	0	1	0	14
B5	Vehicle and Driver Licensing	0	0	0	0	1	0	0	0	0	1
B6	Carbon Reduction	0	0	0	0	0	0	0	0	0	0
B7	Public Service Provision Payments	1	1	5	0	0	0	0	0	0	7
B8	Public and Sustainable Transport	0	0	0	0	3	4	17	0	0	24
B9	Public Transport Agencies	0	0	0	0	0	0	0	0	0	0
B10	Misc. Services	0	0	0	0	0	0	0	0	0	0
C - MARITIME PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
C2	Maritime Admin. Non-Pay	0	0	0	1	0	0	0	1	0	2
C3	Maritime Admin. and IRCG	0	0	1	0	0	0	0	0	0	1
C4	Misc. Services	0	0	0	0	0	0	0	0	0	0
D - SPORTS PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
D3	Grants for Sporting Bodies	0	0	0	0	1	1	1	1	0	4
D4	Large Scale Sporting Infra. Fund	0	0	0	0	2	0	0	0	0	2
D5	Sport Ireland	0	0	0	6	1	0	1	1	0	9
D6	Dormant Account Funding	1	0	0	0	1	0	0	0	0	2
E - TOURISM PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
E3	Fáilte Ireland	4	12	1	0	0	0	0	0	0	17
E4	Tourism Ireland	0	0	0	0	0	0	0	0	0	0
E5	Tourism Marketing Fund	0	0	0	2	0	0	0	0	0	2
E6	Tourism Product Development	0	1	0	0	0	0	4	0	0	5
E7	Greenways	0	0	0	0	0	0	0	0	3	3
Total no. of projects/programmes		7	14	8	28	25	25	42	31	3	183

3.3. Expenditure Recently Ended

Table 4 provides a summary of the number of projects/programmes valued in excess of €500,000 that were in the post-implementation or project-review phase in 2017, arranged by budget subhead. As the table identifies, there were a total of 32 projects/programmes in the **Recently Ended Expenditure** phase of the project/programme life-cycle across the various spending categories.

A number of observations can be made in terms of the composition of projects/programmes and their level of expenditure:

- All thirty-two projects/programmes that were completed in 2017 were capital expenditure projects, of which two were Greenway projects in the Department's Tourism programme and the other thirty were in the Land Transport sector.
- Actual 2017 expenditure on these projects amounted to €125 million, while the combined whole life-time cost of these projects/programmes was approximately €390 million. This total whole life-time cost was almost €50 million below the projected Business Case costs.
- 53% of completed schemes (i.e., 17 projects/programmes) were in the €0.5–5 million expenditure bracket, while 11 projects/programmes were in the next €5–20 million expenditure range, with just 4 schemes having a life-time cost in excess of €20 million.
- Most of the roads projects completed in 2017 were bridge improvement or road realignment work. However, two new roads were also completed: the N52 Cloghan to Billistown road, which came in approximately €3.5 million under its total projected expenditure of €12.5 million; and the M17/M18 Gort to Tuam PPP, which was completed for approximately €57 million below its budgeted cost of €225 million.
- Almost all projects in the public transport sector were completed in line with or below their budgeted costs. However, significant over-runs were realised for two Smarter Travel and Sustainable Transport measures: the provision of cycle facilities in Lucan, which ran over its budgeted cost of €2.5 million by €680k; and the development of the 4 km Tallaght to Templeogue cycle route, which incurred an over-run of approximately €3.6 million over its budgeted cost of €2.3 million.
- A significant cost over-run was also realised on the completed 46 km Waterford Greenway, which incurred an over-run of approximately 540k over its budgeted cost of €710k.

An itemised inventory with further details on all projects/programmes in the post-implementation or project-review phase in 2017 is available in **Appendix A**.

Table 4: Recently Ended Expenditure – no. of projects/programmes by budget sub-head

Subhead		Current Expenditure				Capital Expenditure					Count
		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	
A - CIVIL AVIATION PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
A3	Regional Airports	0	0	0	0	0	0	0	0	0	0
A4	Misc. Services	0	0	0	0	0	0	0	0	0	0
B - LAND TRANSPORT PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
B3	Road Improvement/Maintenance	0	0	0	0	8	5	2	0	0	15
B4	Road Safety Agencies	0	0	0	0	0	0	0	0	0	0
B5	Vehicle and Driver Licensing	0	0	0	0	1	0	0	0	0	1
B6	Carbon Reduction	0	0	0	0	0	0	0	0	0	0
B7	Public Service Provision Payments	0	0	0	0	0	0	0	0	0	0
B8	Public and Sustainable Transport	0	0	0	0	6	6	2	0	0	14
B9	Public Transport Agencies	0	0	0	0	0	0	0	0	0	0
B10	Misc. Services	0	0	0	0	0	0	0	0	0	0
C - MARITIME PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
C3	Maritime Admin. and IRCG	0	0	0	0	0	0	0	0	0	0
C4	Misc. Services	0	0	0	0	0	0	0	0	0	0
D - SPORTS PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
D3	Grants for Sporting Bodies	0	0	0	0	0	0	0	0	0	0
D4	Large Scale Sporting Infra. Fund	0	0	0	0	0	0	0	0	0	0
D5	Sport Ireland	0	0	0	0	0	0	0	0	0	0
D6	Dormant Account Funding	0	0	0	0	0	0	0	0	0	0
E - TOURISM PROGRAMME		€0.5-5m	€5-20m	€20m+	Rolling	€0.5-5m	€5-20m	€20m+	Rolling	TBD	Count
E3	Fáilte Ireland	0	0	0	0	0	0	0	0	0	0
E4	Tourism Ireland	0	0	0	0	0	0	0	0	0	0
E5	Tourism Marketing Fund	0	0	0	0	0	0	0	0	0	0
E6	Tourism Product Development	0	0	0	0	0	0	0	0	0	0
E7	Greenways	0	0	0	0	2	0	0	0	0	2
Total no. of projects/programmes		0	0	0	0	17	11	4	0	0	32

4. Procurement Contracts

As required under the QA process, DTTAS has published summary information on our website of all procurement contracts valued in excess of €10 million. In total, DTTAS held two procurement contracts valued in excess of €10 million in 2017:

- the Irish Coast Guard Helicopter Search and Rescue Service contract with CHC Ireland Ltd., valued at €630.4 million and due to expire in 2022; and
- a contract with Stobart Air for the provision of PSO air services between Donegal–Dublin and Kerry–Dublin, valued at €22.8 million and due to expire in 2018.

Separately to these two directly held contracts, a Local Authority procurement contract held by Mayo County Council for the construction of a Swimming Pool and Outdoor Education Centre in Castlebar was also secured through a DTTAS Sports Capital grant.

As set out in Table 5 below, agencies under the Department's remit held 44 procurement contracts valued in excess of €10 million in 2017.

Table 5: DTTAS agency procurement contracts valued in excess of €10 million

No. of procurement contracts valued in excess of €10 million	
Agency	Count
National Transport Authority	6
Iarnród Éireann	6
Road Safety Authority	3
Transport Infrastructure Ireland	25
Sport Ireland	1
Fáilte Ireland	2
Tourism Ireland	1
Total Count	44

Further details regarding these procurement contracts are provided in [Appendix B](#), or through the following link:

Link: <http://www.dttas.gov.ie/corporate/english/procurement-over-%E2%82%AC10-million>

5. Self-Assessed Compliance Checklists

5.1. Self-Assessment Checklists

The third step in the QA process involves completing a set of high-level checklists covering all expenditure valued in excess of €500,000. The seven checklists allow Departments and agencies under their aegis to self-assess their compliance with their obligations with respect to the expenditure of public money, as set out in the PSC. The seven checklists cover:

- **Checklist 1** – General obligations not specific to individual projects/programmes;
- **Checklist 2** – Capital Expenditure Being Considered;
- **Checklist 3** – Current Expenditure Being Considered;
- **Checklist 4** – Capital Expenditure Being Incurred;
- **Checklist 5** – Current Expenditure Being Incurred;
- **Checklist 6** – Recently Ended Capital Expenditure; and
- **Checklist 7** – Recently Ended Current Expenditure.

Each question in the checklist is judged in accordance with the following 3-point scale:

- 1 – Scope for significant improvements;
- 2 – Compliant but some improvement necessary; and
- 3 – Broadly or fully compliant.

Checklist 1 was completed by SRAD on behalf of DTTAS, while all divisions and agencies that directly sponsored expenditure were tasked with completing Checklists 2-7 in relation to their own expenditure. We note that as with previous QA reports, the National Transport Authority completed Checklists 2-7 on behalf of Dublin Bus, Bus Éireann and Iarnród Éireann (for GDA expenditure).

Tables 6-12 present an aggregated summary of each Divisional and Agency return. It should be noted that no current expenditure projects/programmes were concluded in 2017 and so no returns were received for Checklist 7.

The self-assessed scores presented in Tables 6-12 are as provided by each division and agency. It should be noted that as not all questions in each checklist were applicable to the responding division or agency, or capable of being reconciled with the designated 3-point scale response required, readers should review the additional commentary provided by divisions and agencies in **Appendix C** for further clarity in relation to the presented scores.

Table 6: Self-Assessed Compliance Checklists

Checklist 1: General Obligations		
Question	Rating (0-3)	Comment
Does the Department ensure, on an on-going basis, that appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code?	3	All relevant staff are aware. In addition, the Department's Strategic Research and Analysis Division provides internal economic appraisal expertise and support to policy units and assesses all Business Cases valued in excess of €5 million for compliance with the Public Spending Code.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e., DPER)	2	Some related training through the IGEES network but no central training was provided by DPER.
Has internal training on the Public Spending Code been provided to relevant staff?	3	Yes. Full-day appraisal training was provided in 2017 that covered a number of aspects of the PSC and appraisal best practice.
Has the Public Spending Code been adapted for the type of project/programme that your Department is responsible for? i.e., have adapted sectoral guidelines been developed?	3	Sectoral guidelines are provided in the Department's Common Appraisal Framework (CAF) for Land Transport Projects, which was published in 2016. The CAF is aligned with the PSC and updated parameters and guidance notes are being prepared to further improve the Department's appraisal methodology.
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3	Overall, DTTAS agencies demonstrate a high level of compliance with the PSC. Agencies are assessed through the annual Quality Assurance process, via Value-for-Money Reviews and Focused Policy Assessments, and all project appraisals are checked for compliance with the PSC.
Have recommendations from previous Quality Assurance exercises (incl. old spot-checks) been disseminated, where appropriate, within the Department and to your agencies?	3	Yes. The results of all in-depth checks and spot-checks are shared and discussed with the relevant Division/Agency.
Have recommendations from previous Quality Assurance exercises been acted upon?	2	Broadly, yes. Training has been provided to staff on the Public Spending Code; the Department's sectoral guidance is being updated; and the implementation of previous VfM and FPA recommendations is being monitored and was reported on in this year's DPER Spending Review.
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	3	Yes
Was the required sample subjected to a more in-depth review, i.e., as per Step 4 of the QA process?	2	The 4.67% of the inventory value subjected to in-depth checks lies below the 5% target, however, DTTAS considered there to be greater value added by including a project from the Department's Sports portfolio, as no projects in the Sports sector had been subject to an in-depth check since the introduction of the QA review mechanism.
Has the Accounting Officer signed off on the information to be published to the website?	3	Yes

Table 7: Self-Assessed Compliance Checklists

Checklist 2: Capital Expenditure Being Considered								
Question	Rating							
	NTA	IÉ	RSA	Roads	TII	Sport Ireland	Fáilte Ireland	IRCG
Was a Preliminary Appraisal undertaken for all projects valued in excess of €5 million?	3	3	3	2	3	3	3	n/a
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	3	3	2	3	3	3	3
Was a CBA/CEA completed for all projects valued in excess of €20 million?	3	3	n/a	n/a	3	3	n/a	n/a
Were appraisal processes commenced at an early stage to facilitate decision-making? (i.e., prior to the decision)	3	3	n/a	2	3	3	3	3
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase (e.g. procurement)?	3	3	3	2	3	3	3	3
If a CBA/CEA was required, was it submitted to DPER's Central IGEES Unit for their views?	3	n/a	n/a	n/a	3	3	n/a	n/a
Were the NDFA consulted for projects costing more than €20 million?	n/a	3	n/a	n/a	3	3	n/a	n/a
Were all projects that went forward for tender in line with the Approval in Principle, and if not, was the detailed appraisal revisited and a fresh Approval in Principle granted?	n/a	3	n/a	n/a	3	3	3	n/a
Was approval granted to proceed to tender?	n/a	3	3	n/a	3	3	3	n/a
Were Procurement rules complied with?	n/a	3	3	n/a	3	3	3	n/a
Were State Aid rules checked for all supports?	n/a	3	n/a	n/a	n/a	n/a	3	n/a
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	n/a	3	3	n/a	3	3	3	n/a
Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	n/a	3	3	n/a	2	3	3	n/a
Have steps been put in place to gather Performance Indicator data?	n/a	3	3	n/a	2	n/a	3	n/a

Table 8: Self-Assessed Compliance Checklists

Checklist 3: Current Expenditure Being Considered		
Question	Ratings	
	RSA	Fáilte Ireland
Were objectives clearly set?	3	3
Are objectives measurable in quantitative terms?	3	3
Was an appropriate appraisal method used?	3	3
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	3	3
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	3
Was the required approval granted?	3	3
Has a sunset clause been set?	3	3
Has a date been set for the pilot and its evaluation?	n/a	n/a
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	n/a
If outsourcing was involved, were Procurement Rules complied with?	3	3
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	3	3
Have steps been put in place to gather Performance Indicator data?	3	3

Table 9: Self-Assessed Compliance Checklists

Checklist 4: Capital Expenditure Being Incurred													
Question	Rating												
	Airports	ISD	DVCSD	NTA	IÉ	RSA	Roads	TII	Sports Capital	Sport Ireland	Sust. Transport	Tourism Dev.	Fáilte Ireland
Was a contract signed and was it in line with the approval in principle?	3	3	3	3	3	3	2	3	3	3	3	2	3
Did Management Boards/Steering Committees meet regularly as agreed?	n/a	3	3	3	3	3	2	3	2	3	2	1	3
Were Programme Co-ordinators appointed to facilitate implementation?	n/a	3	3	3	3	3	2	3	3	3	3	3	3
Were Project Managers responsible for delivery appointed, and were the Project Managers at a suitable senior level for the scale of the project?	n/a	3	3	3	3	3	2	2	2	3	3	3	3
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	1	2	3	3	3	3	2	3	2	3	3	2	3
Did the project keep within its financial budget and its time schedule?	3	2	3	3	3	3	2	2	3	2	3	2	3
Did budgets have to be adjusted?	2	3	3	3	3	3	2	3	n/a	2	1	2	3
Were decisions on changes to budgets / time schedules made promptly?	3	3	3	3	3	3	2	3	n/a	3	3	3	3
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	2	3	3	3	n/a	n/a	n/a	3	3	n/a	n/a	2	3
If circumstances did warrant questioning the viability of a project, was the project subjected to adequate examination?	2	n/a	n/a	3	n/a	n/a	n/a	n/a	3	n/a	n/a	2	3
If costs increased, was approval received from the Sanctioning Authority?	3	3	n/a	3	3	n/a	3	3	n/a	3	3	3	3
Were any projects terminated because of deviations from the plan, budget or because circumstances in the environment changed the need for the investment?	n/a	3	n/a	3	3	n/a	n/a	n/a	3	n/a	2	2	3
For significant projects, were quarterly reports on progress submitted to the MAC and to the Minister?	n/a	n/a	n/a	3	3	n/a	3	3	n/a	3	1	n/a	3

Table 10: Self-Assessed Compliance Checklists

Checklist 5: Current Expenditure Being Incurred										
Question	Rating									
	Airports	ISD	NTA	IÉ	RSA	Roads	TII	Sport Ireland	Fáilte Ireland	IRCG
Are there clear objectives for all areas of current expenditure?	3	3	3	3	3	3	3	3	3	3
Are outputs well-defined?	3	3	3	3	3	2	2	3	3	3
Are outputs quantified on a regular basis?	3	3	3	3	3	2	3	3	3	3
Is there a method for monitoring efficiency on an on-going basis?	2	3	3	3	3	2	2	3	3	3
Are outcomes well defined?	3	3	3	3	3	2	2	3	3	3
Are outcomes quantified on a regular basis?	3	3	3	3	3	2	3	3	3	3
Are unit costings compiled for performance monitoring?	2	1	3	3	3	2	2	n/a	3	2
Is there a method for monitoring effectiveness on an on-going basis?	2	3	3	3	3	2	3	3	3	2
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	n/a	1	3	3	n/a	n/a	2	3	3	n/a
How many formal VFMs/FPAs or other evaluations been completed in the year under review?	n/a	n/a	3	n/a	n/a	n/a	3	n/a	n/a	n/a
Have all VFMs/FPAs been published in a timely manner?	n/a	n/a	3	n/a	3	n/a	3	n/a	n/a	n/a
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	n/a	n/a	3	3	3	n/a	2	n/a	3	n/a
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	n/a	n/a	3	n/a	3	n/a	2	n/a	3	n/a

Table 11: Self-Assessed Compliance Checklists

Checklist 6: Capital Expenditure Recently Ended					
Question	Rating				
	DVCSD	NTA	IÉ	TII	Tourism Dev.
How many post project reviews were completed in the year under review?	3	3	3	3	3
Was a post project review completed for all projects/programmes valued in excess of €20 million?	n/a	3	n/a	3	n/a
If sufficient time has not elapsed to allow a proper assessment of benefits, has a post project review been scheduled for a future date?	3	3	3	3	3
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	2	3	3	2	3
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	2	3	n/a	3	3
Were project reviews carried out by staffing resources independent of project implementation?	2	3	3	3	3

Table 12: Self-Assessed Compliance Checklists

Checklist 7: Current Expenditure Recently Ended	
Question	Ratings
	Division/Agency
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	-
Did those reviews reach conclusions on whether the programmes were effective?	-
Did those reviews reach conclusions on whether the programmes were efficient?	-
Have the conclusions reached been taken into account in related areas of expenditure?	-
Were any programmes discontinued following a review of a current expenditure programme?	-
Was the review commenced and completed within a period of 6 months?	-

5.2. Analysis of Checklists and Issues Arising

The completed checklists demonstrate that DTTAS divisions and agencies consider themselves to have a high level of compliance with the PSC.

Checklist 1 – General Obligations

Overall, DTTAS has been proactive in implementing its general obligations as set out in the PSC. However, as an Inventory of Expenditure was not compiled for 2016 expenditure due to a lack of SRAD resources, it was not possible to determine if the in-depth check target of an annual average of 5% of the total inventory value over 2014–2016 cycle was achieved. DTTAS considers 2017–2019 to represent a new three-year cycle and will endeavour to ensure this 5% annual average target is achieved in future years. While the 4.32% of the inventory value subjected to in-depth checks this year lies below this target, DTTAS considered that there would be greater value added by including a project from the Department's Sports portfolio, as no projects in the Department's Sports sector had been subject to an in-depth check since the introduction of the QA review mechanism.

Checklist 2 – Capital Expenditure Being Considered

Eight bodies under DTTAS' remit had capital projects/programmes in the appraisal, planning or design phase in 2017, with combined 2017 expenditure on these projects/programmes amounting to €51.2 million. While both TII and the NTA report a high level of compliance with the PSC, it should be noted that several checklist questions were not yet applicable to the three main projects in the NTA's portfolio—DART Expansion, MetroLink and BusConnects. Also, as evidenced by the Roads response, which holds similarly for Checklists 4 and 5, it would appear that Local Authority awareness of PSC requirements is an area that could be improved to further increase the overall level of compliance. Elsewhere, the scale of the capital expenditure under consideration was much lower, with high levels of compliance reported.

Checklist 3 – Current Expenditure Being Considered

Three checklist responses were received with respect to current expenditure projects/programmes in the Being Considered phase; from the RSA, the Irish Coast Guard and Fáilte Ireland. No actual expenditure was incurred on these projects in 2017 and all three bodies report full compliance with their PSC obligations. However, we note that in the RSA's QA return, it is clear that what they classified as 'Being Considered' was planned expenditure on existing programmes, i.e., 'Being Incurred', rather than the planned implementation of new current expenditure programmes.

Checklist 4 – Capital Expenditure Being Incurred

DTTAS had seven divisions and six agencies directly sponsoring on-going capital expenditure projects/programmes in 2017. Actual expenditure on these projects amounted to

€1.014 billion and overall, a high level of compliance was reported. However, DTTAS' Airports, Sustainable Transport and Tourism Development Divisions noted that there was scope for significant improvement with regard to project monitoring and reporting, with Sustainable Transport also noting scope for significant improvement in relation to budget adherence.

Checklist 5 – Current Expenditure Being Incurred

DTTAS incurred €594 million on current expenditure projects/programmes in 2017, of which bus and rail PSO and Rural Transport commitments amounted to €280 million. Overall, a high level of compliance was reported by all divisions and agencies, although DTTAS' Information Services Division noted that there was scope for improvement with regard to unit costings and facilitating future evaluations of the E.U.-directed Safeseas Ireland programme. As few of the divisions and agencies have recently been subject to formal Value-for-Money and Policy (VfM) reviews or Focused Policy Assessments (FPAs), several responses listed related questions as not applicable. However, it should be noted that almost all DTTAS current expenditure projects/programmes are rolling programmes such as the PSO contracts or yearly maintenance programmes, which are subject to on-going performance monitoring and periodic evaluation.

Checklist 6 – Capital Expenditure Recently Ended

Five DTTAS bodies reported having recently ended capital expenditure projects/programmes in 2017. Final payments incurred in 2017 amounted to €125 million, while the combined life-cycle cost of €389 million was under the total projected project/programme expenditure of €440 million. This underspend was primarily due to the M17/M18 Gort to Tuam PPP coming in approximately €57 million under its projected budget. Overall, a high level of compliance was reported, however it was noted that due to the nature of the large capital infrastructure projects, sufficient time would need to elapse before post-project reviews could be undertaken.

Checklist 7 – Current Expenditure Recently Ended

No DTTAS current expenditure projects/programmes were concluded in 2017.

Copies of the responses received by each division and agency containing additional commentary are provided in [Appendix C](#).

6. In-Depth Checks

The following section provides an overview of the four in-depth checks which were carried out as part of the QA process. After outlining the methodology behind the in-depth checks, a summary of each of the four in-depth checks is presented.

The projects/programmes selected for review were: the Foynes–Limerick road improvement scheme, the redevelopment of Páirc Uí Chaoimh, the NTA’s Route Selection and Option Study programme for BusConnects Dublin, and Iarnród Éireann’s Train Protection System project.

Table 13: Overview of Projects/Programmes Selected for In-Depth Checks

In-depth Checks	
Project/Programme	Value
Roads	
Foynes-Limerick Road Improvement Scheme	€432,600,000
Sports	
Redevelopment of Páirc Uí Chaoimh	€30,000,000
Public Transport	
Iarnród Éireann - Train Protection System	€156,500,000
NTA - BusConnects Route Selection and Option Study Programme	€438,000,000
Total Value of In-depth Checks	€1,057,100,000
Projected Inventory Value	€22,636,484,272
% of Inventory Reviewed	4.67%

6.1. In-Depth Check Methodology

As part of the 2015 QA report, the Department’s Economic and Financial Evaluation Unit (EFEU)—since renamed the Strategic Research and Analysis Division—drafted and implemented a standard methodology for carrying out in-depth checks. The 5-step methodology has been applied uniformly across each in-depth check and is based on the principals and guidance of the PSC and best-practice evaluation.

The 5 steps of each in-depth check are:

Step 1: Mapping the Programme Logic Model

Each project/programme is mapped to a Programme Logic Model (PLM) that defines the objectives, inputs, activities, outputs and impacts of a process into a coherent framework and facilitates best practice evaluation. PLMs are standard practice in evaluation in Ireland and are utilised here as a means of distilling information. The publication of these PLMs in the QA report will support further evaluation and assist the selection and completion of future VfMs, FPAs and other analyses.

Step 2: Establishing a summary timeline of the project/programme's life-cycle

A project timeline along each stage of the expenditure life-cycle—i.e., Expenditure Being Considered, Expenditure Being Incurred and Expenditure Recently Ended—is mapped out. The types of major events considered include the dates associated with decisions to proceed with certain analysis, project options and milestones, the publication of supporting the project/programme, and the finalisation of relevant reports.

Step 3: Analysing key project/programme documentation

Having outlined the project stages through the life-cycle, the in-depth check then examines in detail all material that has been compiled in order to plan, assess or implement the programme. In practice this involves reviewing and analysing key documentation including business cases, cost-benefit analyses, evaluations or post-project reviews. The assessment of these documents will assist in the completion of the key evaluation questions.

Step 4: Conducting a data audit

In step 4, the in-depth check defines the data requirements for future evaluation and the current level of data availability. This assists in the identification of any data gaps and steps to alleviate any issues are considered. The findings from this section are also used by SRAD to inform on-going work on the Department's Data and Statistics Strategy.

Step 5: Answering key evaluation questions

As a final step, the in-depth check assesses the programme on the basis of the three key evaluation questions listed below:

1. Does the delivery of the project/programme comply with the standards set out in the PSC?
2. Is the necessary data and information available such that the project/programme can be subjected to a full evaluation at a later date?
3. What improvements are recommended such that future processes and management is enhanced?

6.2. Foynes–Limerick Road Improvement Scheme

Project/Programme Summary	
Name	Foynes to Limerick Road Improvement Scheme
Description	Capital project to improve the road network in Co. Limerick in order to link the Tier 1 port of Shannon Foynes to the E.U.'s TEN-T core network
Responsible Body	Mid West National Road Design Office (NRDO), Limerick City & County Councils
Current Status	Expenditure Being Considered
Start Date	Project start: September 2013 Planned opening: 2024
End Date	Project end: 2054 (Review year 30 years after projected opening year)
Projected Overall Cost	€432.6 million

This in-depth check refers to the proposed improvement of the road network in Co. Limerick in order to improve surface access to the Tier 1 Port of Shannon Foynes and connect the port to the European Union's (EU) core Trans-European Transport Network (TEN-T).

The Tier 1 Port of Shannon–Foynes is identified in TEN-T policy as one of four core ports on the island of Ireland, alongside Belfast, Dublin and Cork ports. The TEN-T regulations require core maritime ports to be connected by rail, road and, where possible, inland waterways, to the TEN-T transport network by 31 December 2030, except where physical constraints prevent such connection. As such, the Mid West National Road Design Office (MWNRDO), in conjunction with Limerick City and County Council, were tasked with developing plans to improve road connectivity between the Port of Shannon Foynes and the motorway network in the vicinity of Limerick City and to address deficiencies of the existing road network.

The project has completed the preliminary appraisal phase, and a preferred route corridor has been identified following extensive public consultation. An initial projected overall cost of €320-350 million was revised up to €432.6 million following subsequent risk assessments, and preparations for the next 'Detailed Appraisal' stage are currently underway. The project Business Case estimates construction to be completed in 2024, with 2054 also noted to be a post-project review year.

Overall, the Foynes to Limerick Road Improvement Scheme has been carried out broadly in line with PSC requirements. The analysis undertaken to date is sufficient for the preliminary appraisal stage and all key appraisal documentation is available for review. In order to ensure PSC compliance as the project progresses into the Detailed Appraisal stage, the Sponsoring Agency have been tasked with ensuring that some additional details regarding the Multi-

Criteria Analysis (MCA) used to identify the Preferred Route Corridor are provided at the Detailed Appraisal stage, and that PSC and Common Appraisal Framework (CAF) guidance regarding the required Cost-Benefit Analysis are complied with. It is expected that provided these details are supplied, the project will be compliant with its PSC requirements.

Further details regarding this in-depth check are presented in [Appendix D](#).

6.3. Redevelopment of Páirc Uí Chaoimh

Project/Programme Summary	
Name	Redevelopment of Páirc Uí Chaoimh
Description	Regional stimulus grant of €30 million to support the redevelopment of Páirc Uí Chaoimh and construction of an adjoining Centre of Excellence.
Responsible Body	Cork County Board of the GAA.
Current Status	Expenditure Being Incurred
Start Date	September 2013
End Date	Final grant payment: Q4 2018
Projected Overall Cost	€78.34 million, (€86.4 million, exclusive of land cost) State contribution: €30 million

This in-depth check refers to the redevelopment of the Páirc Uí Chaoimh (PUC) stadium and the construction of an adjoining “Centre of Excellence” in the Marina Park area of Cork City Docklands.

After almost 40 years in operation, PUC was facing obsolescence and a lack of stadium capacity to accommodate major Championship games. The Cork County Board (CCB) of the G.A.A. therefore submitted a request for €30 million in State support to help finance a projected €70 million redevelopment of PUC as part of a Regional Stimulus Proposal to the Department of Public Expenditure & Reform (DPER) in September 2013. This allocation was approved by Cabinet and announced as part of a wider €200 million stimulus package by the Minister for DPER, Brendan Howlin in May 2014. Following this ‘Approval-in-Principle’, oversight of the project was returned to DTTAS who were tasked with ensuring the project’s compliance with the PSC.

Overall, while the redevelopment of PUC has essentially been concluded and the stadium is in active use, it was necessary to address a number of PSC compliance issues and additional State Aid measures over the course of the project’s development. These issues primarily stemmed from the fact that ‘Approval-in-Principle’ for the project was granted by Cabinet before a detailed appraisal process had been undertaken. A 2014 change in the European Commission’s General Block Exemption Regulations with regard to the funding of sports infrastructure also meant that the redevelopment of PUC was subject to an additional level of State Aid scrutiny that delayed the implementation phase, which was not experienced in previous redevelopment projects of Irish stadia.

We also note that although the State’s contribution was limited to a €30 million stimulus capital grant and was insulated from exposure to cost overruns, redevelopment costs

(exclusive of land costs) have exceeded the final Business Case estimate by in excess of 10%. As a result of a significant shortfall in the funding to be raised through the advance sale of long-term premium and club seat packages, the CCB were thus required to alter their funding strategy significantly and obtain a bridging loan in conjunction with the G.A.A. Central Council and Croke Park to cover project costs, who are also assisting in project management. Expected revenues from the sale of additional CCB lands in Kilbarry, the sale of naming rights to the stadium and funding generated through concerts and conferences are expected to be sufficient to cover the full loan amount.

Further details regarding this in-depth check are presented in [Appendix D](#).

6.4. Train Protection System

Project/Programme Summary	
Name	Iarnród Éireann – Train Protection System
Description	Capital investment project to upgrade and expand coverage of the Irish rail network's train protection system.
Responsible Body	Iarnród Éireann (IÉ)
Current Status	Expenditure Being Incurred
Start Date	February 2007
End Date	Estimate: 2024
Projected Overall Cost	€156.5 million

This in-depth check refers to the development and roll-out of an updated and expanded Train Protection System (TPS) for the Irish rail network.

Iarnród Éireann's (IÉ) Infrastructure Manager and Railway Undertaking have formed a combined project team to roll out a wayside TPS system where none currently exists, in addition to replacing on-board existing Automatic Train Protection (ATP) and Continuous Automatic Warning systems (CAWS) that are currently in operation. These systems provide additional safety features, beyond those provided by the driver in each vehicle, which mitigate the probability and severity of an accident on the network. The on-board equipment fitted to IÉ's fleet of trains is life-expired and parts for maintenance are becoming obsolete.

The overall conclusion of the in-depth check is that the TPS project includes all the key elements required to ensure that it adheres to all relevant guidance and standards, as set out in the PSC. The rationale for undertaking the upgrade and expansion of the TPS has been clearly presented, the feasible options for remedying this need are identified and the benefits and costs relating to these options are well-developed. Moreover, risk analysis has been undertaken and the implementation planning and monitoring processes are well-designed.

However, this project would benefit from more clearly defined objectives and clarity around what level of upgrade and expansion is to be undertaken and how this is to be decided. Given that the project is currently still in the appraisal stage and a revised Business Case is being prepared, it is expected that once the outstanding documentation is presented, the project will be fully in compliance with its PSC obligations.

Further details regarding this in-depth check are presented in [Appendix D](#).

6.5. BusConnects Dublin – Route Selection and Option Study Programme

Project/Programme Summary	
Name	BusConnects Dublin – Route Selection and Options Study Programme
Description	Capital expenditure programme to fund the route selection and option studies component of the large-scale BusConnects Dublin project.
Responsible Body	National Transport Authority
Current Status	Expenditure Being Considered
Start Date	May 2017
End Date	Estimate: 2027
Projected Overall Cost	€438 million

This in-depth check refers to the National Transport Authority's (NTA) ongoing route selection and options study programme for the larger BusConnects Dublin project.

BusConnects proposes a radical redevelopment and redesign of the Dublin bus network and the large-scale provision of enhanced cycling and bus infrastructure to address future population and capacity requirements. These reforms reflect key Government policy priorities, as outlined in the *Transport Strategy for the Greater Dublin Area 2016-2035* and the recently published *National Development Plan*. A key component of this redesign includes the improvement of bus and cycle infrastructure through the construction of 'Bus Rapid Transit' corridors along key routes throughout the city.

As the total projected cost of the BusConnects project is in excess of €2 billion, rather than considering the BusConnects project as a whole, this in-depth check reviewed the ongoing route selection and option study sub-programme that aims to identify problems with the existing network and propose a redesigned network that will then be brought forward for consideration as part of future analyses and appraisals of BusConnects Business Cases. While the NTA were not required to present a Business Case for the route selection and option study programme itself as it forms supporting analysis for the larger BusConnects project, given the significant projected cost of the study programme, this in-depth check was selected to assess whether this work is being performed in line with the PSC.

The estimated programme cost of €438 million provided by the NTA is intended to cover route option studies, public consultation processes, engineering studies, topographical surveys, traffic counts, tree surveying, analysis of compulsory purchase order requirements and the preparation of detailed Business Cases out to 2027, in addition to including some provision for

early construction/implementation work on a number of corridors, subject to Business Case approval and funding being available.

The overall conclusion of the in-depth check is that while it is still too early in the project's life-cycle to state conclusively that the programme is fully compliant with the PSC, the quality of data and analysis presented in the reports produced to date suggests that a thorough appraisal process is underway, the project objectives are clear and measurable, and that appropriate project management processes and controls are in place. However, the lack of a detailed breakdown of the projected costs and the fact that the programme forms a sub-component of a larger project prevented DTTAS from making a more definitive evaluation of PSC compliance.

Further details regarding this in-depth check are presented in [Appendix D](#).

7. Other Quality Assurance Items

7.1 Financial Spot-Checks

In addition to the in-depth checks carried out as part of this QA process, DTTAS conducts financial spot-checks in relation to four areas of DTTAS expenditure: Regional and Local Roads, the Sports Capital Programme, and Public Transport Investment and Sustainable Transport projects. This work is carried out to support the grant drawdown procedures as set out in the Department's Procedures for Internal Financial Controls (PIFCO).

Moreover, these spot-checks provide a mechanism to assist with the auditing of financial systems and processes for projects/programmes in the Department's portfolio. This process differs from the in-depth check analysis which is more focused on the assessment of how PSC requirements are being met during the different phases of the project/programme life-cycle. The complementary nature of the two review mechanisms thus improves overall DTTAS oversight of the projects/programmes in its portfolio.

The following is a summary of spot-checks carried out in respect of 2017 expenditure.

Regional and Local Roads

Table 14: Regional and Local Road Expenditure Spot-Checks

Spot-Checks of 2017 Regional and Local Road (RLR) Expenditure	
County Council	Eligible Expenditure
Cavan	€3,069,999
Kildare	€8,778,441
Kilkenny	€3,795,165
Louth	€487,210
Monaghan	€2,387,180
Roscommon	€3,045,544
Tipperary	€12,851,892
Total RLR Examined	€34,415,431
2017 RLR Allocation	€324,296,000
% of 2017 RLR Allocation Examined	10.61%

DTTAS undertook seven “desk-check” reviews of 2017 Regional and Local Roads (RLR) expenditure, amounting to €34,650,802 or 10.68% of the total €324,296,000 RLR allocation. Of the reviewed expenditure, €235,371 was discovered to be ineligible and was replaced by known eligible expenditure by the Local Authority, leaving a total of €34,415,431 as eligible expenditure. These checks were also used to increase Local Authority awareness of and compliance with the Department’s Memorandum on Grants for Regional & Local Roads.

Sports Capital Programme

DTTAS has conducted eight inspections of sporting clubs and bodies in respect of 2017 Sports Capital Programme (SCP) expenditure to date. The amount audited comes to €569,332, which represents 2.4% of the total €23,780,000 allocated to SCP projects in 2017. It is intended that the full schedule of inspections will cater for 5% of 2017 SCP expenditure (i.e., €1.18 million). An in-house report will be prepared outlining the results and any issues that arose in the course of the spot-check process.

Table 15: Sports Capital Programme Spot-Checks

Spot-Checks of 2017 Sports Capital Programme Expenditure	
Project/Programme	Examined
Carlow Sub-Aqua Club	€30,532
Clonguish GAA Club	€35,000
Castlerea Golf Club	€44,650
Rathdowney GAA	€59,850
Fenagh Handball Club	€72,000
Coralstown Kinnegad GAA	€87,300
Killyconnan Sports Ground	€90,000
Gaelscoil Osrai, Kilkenny	€150,000
Total SCP Examined	€569,332
2017 SCP Allocation	€23,780,000
% of SCP Allocation Examined	2.39%

Public Transport Investment and Sustainable Transport

As DTTAS' Public Transport Investment Division was the subject of a Comptroller and Auditor General report in 2017, in addition to an E.U. audit of expenditure on a major investment project, an internal spot-check of PT Investment expenditure was considered to be a duplication of those processes was therefore not undertaken. However, DTTAS plans to reintroduce a spot-check process for 2018 Public Transport Investment expenditure. These inspections will be used to verify the accuracy and completeness of financial information reported from implementing agencies and the extent to which the relevant systems and procedures meet DTTAS requirements for capital grant drawdown, as set out in PIFCO.

A spot-check of 2015 Sustainable Transport expenditure was also carried out in 2017 and was in line with DTTAS requirements for capital grant drawdown, as set out in PIFCO.

7.2 Implementation of VfM and FPA Recommendations

In December 2017, DTTAS published a VfM review of the Driver Testing Service (DTS) as part of the Government's overall expenditure management framework, as set out in the PSC⁴.

The terms of reference for the review were to identify the rationale and objectives of the programme, to define the programme's inputs, to assess the efficiency of the use of these inputs, to examine the extent to which the programme is effective in meeting its objectives, to analyse relevant management and policy choices, and to specify future performance indicators for the programme's operation.

The VfM review presented a clear and robust assessment of the DTS and specified 24 recommendations and an implementation plan to improve the future performance and management of the programme. The Road Safety Authority (RSA) updated SRAD with regard to the implementation of the VfM's recommendations in June 2018, and a summary of their progress is presented below:

- **Improve Operation and Efficiency** – Of the seven recommendations in this area, one has been completed, three are ongoing, and further scoping is required for the remaining three. Revised target dates have been set for each incomplete action.
- **Improve Effectiveness** – Of the five recommendations in this area, one is due to be completed in Q4 2018, three require further scoping, and the RSA are monitoring the fifth. Revised target dates have yet to be decided.
- **Data Collection** – Of the three recommendations in this area, two have been completed and the remaining action regarding the compilation of data on test fault marking statistics has been set a revised date of Q2 2019.

⁴ The full VfM and Policy Review of the Driver Testing Service is available on the DTTaS website: <http://www.dttas.gov.ie/corporate/english/policy-review-and-analysis>

- **Future Monitoring and Evaluation** – Of the nine recommendations in this area, three are ongoing with target completion dates of 2019. The remaining six recommendations require further scoping before actions can be undertaken.

Further details regarding the DTS VfM's recommendations and an update on the status of previous VfM and FPA recommendations are presented in [Appendix E](#).

7.3 Other Initiatives

In addition to the items described above, a number of related initiatives were also implemented in 2017:

- The Department's Strategic Research and Analysis Division (SRAD) provided full-day PSC and appraisal training to DTTAS staff, covering the PSC and appraisal best-practice;
- SYSTRA Ltd. were contracted to research and develop new parameter values related to Journey Time Reliability and Crowding on Public Transport to allow the benefits (or costs) that public transport users receive from transport projects that impact upon journey reliability and crowding on public transport to be assessed more accurately. A final report was presented to DTTAS in July 2017 and SRAD are working to update the Department's Common Appraisal Framework (CAF) for Transport Projects and Programmes to incorporate the results of this research.

8. Summary and Recommendations

In summary, DTTAS is satisfied that it and its agencies are meeting their obligations as set out in the PSC. As part of an on-going effort and commitment to continually improve and ensure that requirements are met in full, SRAD has identified the following areas of work:

- DTTAS will maintain its other evaluation activities, such as VfM reviews and FPAs, to ensure that the activities of DTTAS and its agencies remain compliant with the PSC;
- Issues identified through the self-assessment checklists will be internalised by divisions and agencies and acted upon as necessary;
- The findings and recommendations of the four in-depth checks will be shared with the relevant divisions and agencies and used to improve the current and future delivery of existing (and similar) projects/programmes;
- Parameter values in DTTAS' Common Appraisal Framework will be updated to remain in-line with the PSC. New metrics for Journey Time Reliability and Public Transport Crowding will also be incorporated to ensure that the Department's appraisal process can accurately assess the impact of transport investment projects that affect these areas;
- Future QA reports will continue to assess the implementation of previous VfM and FPA recommendations. As such, as such future QA reports will also review the implementation of recommendations arising from the recently completed Tourism Marketing Fund VfM review;
- SRAD staff will avail of any external training provided by DPER and will in turn continue to facilitate internal training on the PSC, QA and appraisal process to ensure that all divisions, units and agencies are aware of their PSC obligations;
- Finally, the Department will evaluate its QA process to ensure that it is continually improved and fit for purpose. On this basis, a review of the 2017 QA process will be undertaken in 2018 with the relevant agencies and DTTAS divisions.



An Roinn Iompair,
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